

that we brought the amount practically to the full \$1.319 billion. I would have to say that was a total victory.

So when Senator WELLSTONE and Senator MOSELEY-BRAUN seek an amendment to add \$319 million, I would like to see that extra funding. I have said on the Senate floor that when it comes to the poor and the elderly, that it is a matter of heating or eating. Those funds are really very, very important. But we are going to have further negotiations with the House of Representatives, and the House has already indicated that they want to eliminate all funding for LIHEAP in the future.

It was not easy for me to vote to table the amendment adding \$319 million for LIHEAP funding, but I did so because we had already crafted a hard-fought-out compromise which had, in effect, restored \$1.3 billion, leaving only \$19 million short. I am going to have to go back and deal with the House Subcommittee on Labor, Health and Human Services and Education and try to work the matter out. So I am hardly in a position to support Senator WELLSTONE and Senator MOSELEY-BRAUN.

We are looking at a very, very difficult budget, Mr. President, as we all know. I am convinced that we need to balance the budget. We have a 7-year glidepath to get that done. These votes are not easy to explain, and it is not difficult for other Senators, after seeing the work done, to come in and say, "I'd like to add some more money here." We all would. But it is simply not realistic to do.

The final budget, the final figure was worked out. After we looked at the House figure of \$5.9 billion in cuts, we reduced it very substantially in the subcommittee. The cuts were reduced further by an amendment which was sponsored by the leadership, the Dole-Daschle amendment, which the Senator from Minnesota voted for. Then the measure was vetoed and came back, and then it was approved after difficult negotiations with the White House. So that the net effect was, looking at the first cut of \$5.9 billion, we reinstated \$3 billion of those funds.

On this date of the record, I think that it was just too much to come back and say let us add in more money for these projects and these programs, important as they may be.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, is the Senate in morning business?

The PRESIDING OFFICER. Yes, the Senate stands in morning business. There is an order pending to go to the bill.

Mr. DORGAN. I ask unanimous consent to be allowed to speak for 20 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. TRADE DEFICIT

Mr. DORGAN. Mr. President, this week we received some additional news about our trade deficit in the United States. This news, for almost everyone who reads about our trade deficit, provokes one giant yawn, a turn of the page, and we hear nothing about it.

In contrast, we have, since the first part of this year, been very worried about the Federal budget deficit. We have had hour after hour and day after day of debate about what to do with the budget deficit. That is an enormously serious problem for this country. We must deal with it.

In fact, an hour or so ago, we passed a rescissions bill, cutting some \$16 billion in Federal spending as a first step. It is not nearly enough, but it is a pretty good first step before we get to the reconciliation bill to address the Federal budget deficit.

It is interesting that there is almost a conspiracy of silence in this country about the trade deficit. I wonder why? The trade deficit must be and will be some day repaid with a lower standard of living in the United States. That is a fact.

What is causing all of these problems with respect to trade? What does it result in for the American family? The circumstances, it seems to me, are these: We have in this country now record corporate profits. They have never been higher. The largest corporations in this country are making the highest profits they have ever made in history.

Wall Street is having a big old party—and God bless them, I think that is just wonderful. There are record highs on Wall Street. But while corporate profits reach new heights, and while the Wall Street crowd celebrates record highs, the question is, What about the family that sits down for dinner at home tonight and has to assess the family's economic circumstances?

The answer for the family is not record profits, and not new highs. The answer for 60 percent of the American families, when they sit down for dinner and talk about their circumstances, is that they are working harder and making less money. Mr. President, 60 percent of the American families now have less income than they had 20 years ago, when adjusted for inflation.

The other interesting thing is, in addition to the information produced about the trade deficit each month, there is another piece of information that is produced about wages. It gets almost no attention. Nearly every month, wages are falling. In other words, corporate profits are going up, stock prices are going up, investors are doing well. Wealth holders are cele-

brating, and folks out there working for a living are working for less wages. Why is that the case, and how does it relate to our trade deficit?

They are all part of the same circle. Corporate profits are at a record high. I think that is fine in some respects, except that if it comes at the expense of workers' incomes, there is a disconnection about what is important in this country. We now have what is called a global economy. What that means is American corporations and international corporations, for that matter, are told that it is just fine to go find a place to produce where you can produce dirt cheap, and hire folks for \$1 a day or a dime an hour, and sell that production back to Pittsburgh or Fargo or Denver or San Diego.

What we have are good manufacturing jobs moving out of this country at a wholesale pace, and those manufacturing jobs are now in Indonesia, in Malaysia, in China, and yes, even on the Maquiladora border of Mexico, where two or three new plants every day are approved for manufacturing products, many of which used to be manufactured in this country.

Corporations find, in some parts of the world, you can hire a 12-year-old to work 12 hours a day for 12 cents an hour and produce a product that is shipped back to this country. It means we have lost good jobs in this country that used to produce good income. That is the disconnection.

It seems to me that we ought to measure success in our economic system in this country by how an economy produces a better standard of living for all Americans—all Americans, not just corporate America, all Americans—especially those who work for a living.

We have folks who sit on the front porch and smoke pipes and watch the grass grow. They hold bonds or stocks, they get dividends or interest, and God bless them. Some of them earn millions every year doing that. Some of them earn millions and pay almost nothing in taxes. But the question is, What is the fortune of the person who does not have stocks or bonds, but who works every day? What about someone who works every day, makes a wage, and then finds that every month, their wages are eroding because profits are up but wages are down?

We need to change that kind of economic system. The sum total of everything we do in this Chamber ought to be to try to restore economic health to this country, sufficient so that every American family—every American family—finds its standard of living improving.

Mr. President, 50 years after the Second World War, during the first 25 years, virtually all American families found better circumstances, better opportunities, higher wages. The second 25 years, what have we seen? Trade deficits, with American corporations moving overseas, leaving this country, taking their jobs to other parts of the

world, where they can produce cheap and sell here. What has that meant? It has meant a choking trade deficit for America, and lower wages for American workers. We ought not put up with it.

We fought for 50 years on the question of what is a livable wage. We have minimum wages in this country. We have worker safety standards. We have laws against child labor. You cannot hire 12-year-olds and pay 12 cents an hour and work them 12 hours a day. Those are successes in this country, that we have prohibited those kinds of things. Yet, all too often, we are choking on a trade deficit caused by producers who produce in circumstances where they could not produce in this country, and then ship their product here.

What it is doing is drying up economic opportunities for American citizens, and it ought to stop. We ought to say to every one of those countries, China especially—we have a \$30 billion trade deficit with China—it is unthinkable we allow that to continue. We have a \$65 billion trade deficit with Japan. We cannot get American products into Japan in any significant quantity, but we are a sponge for Japanese products. We buy all this material from China and when they want to buy wheat, they are off price shopping in Canada someplace.

The fact is, this country ought to start standing up for its own economic interests and start doing it soon. This trade policy is completely out of whack. It is hurting American families.

I am not suggesting isolationism or building walls around our country. But I am saying that America ought to stop getting kicked around with unfair trade practices. If our market is open to other countries' products, then their markets ought to be open to ours. If we will not allow the employment of 12-year-old kids at 12 cents an hour, we ought not to allow products from countries that do, to come to the American marketplace to undercut American jobs.

It is that simple. I have been on the floor almost weekly since the first of this year, and yearly in my time in Congress, to talk about this. One day, one way, we will change these policies and start standing up for the economic interests of this country—not just corporate profits, but also wages for American families.

THE LINE-ITEM VETO

Mr. DORGAN. Mr. President, let me turn to another subject. I talked about the fiscal policy, the budget deficit, when I began. It is a serious problem. I have voted for many ways to try to address the budget deficit.

I headed a task force in the House on Government waste. I have worked on a waste task force here in the Senate. I have cast dozens of votes to cut spending. I just voted for a rescissions bill to try to cut Federal spending.

I did not cast a vote for the proposal that eventually went down by one vote here in the U.S. Senate on a constitutional amendment to balance the budget. I did vote for a constitutional amendment to balance the budget. We had two of them. One was the right one and one of them was the wrong one. The one that was the main proposal would have taken \$1.3 trillion in Social Security trust funds over many, many years and used it to balance the budget. I happen to think that is thievery. I happen to think that is taking things under dishonest pretenses, because it is taking money that comes from a paycheck and is promised to go into a Social Security trust fund to be saved for the future. Then they say, "I know we say that, but we want to use that money instead to balance the budget." That is dishonest budgeting, and I would not vote for that.

But one element of dealing with the Federal budget deficit is an issue called the line-item veto. It, by itself, will not solve the deficit problem, but it will help with respect to those spending proposals that have never been the subject of hearings are stuck in bills that come through here. So I support a line-item veto and I have, for a dozen or 15 votes over the years, voted for a line-item veto.

One of the things I think is interesting about the line-item veto issue is this. The House of Representatives passed a line-item veto in February. We in the Senate passed a line-item veto in March. It is now the end of July and we have no line-item veto. Why? Because there has been no conference committee appointed to resolve the differences between the House and the Senate versions.

Why has there not been a conference appointed? The Contract With America included the line-item veto as one of their major elements. I supported it. I have always supported it. I think it makes sense.

But it is interesting to me that the Speaker of the House of Representatives has recently said that he does not think they are going to get around to the line-item veto this year. He wanted to talk about a line-item veto, he wanted to push a line-item veto, so he had a vote on a line-item veto in February. But he did not want a line-item veto to pass because he did not want a Democratic President to have a line-item veto.

I supported line-item vetoes when a Republican was in the White House because I do not think it matters who is President. A Republican President should have had a line-item veto when the Congress was Democratic and a Democratic President ought to have a line-item veto when the Congress is controlled by Republicans.

The other day I held up a little report from a newspaper that said, "Gingrich Gets \$200 Million in New Pork," just as an example. The question is, are the people who talked about a line-item veto more interested

in producing pork or are they more interested in producing a line-item veto? I think the evidence is starting to suggest the former.

It is very simple for us to move on the line-item veto. If the Speaker of the House is unable, at this point, to understand how one gets to a conference, I have some step-by-step instructions.

First, think of the names of some U.S. House Members. Probably some of your friends.

Second, pick a few. That is not rocket science. Think of some names of your friends; pick a few.

Third, send the list to the House floor for action.

Let us have a conference and bring a line-item veto back to the floor of the House and the Senate and get it voted on, get it to the President, so before these appropriations bills come down to the President this year and before the reconciliation bill is sent to the President this year, this President has a line-item veto. If we are serious about the Federal deficit, let us deal with the issue called the line-item veto.

It is one thing to talk about it. It is another thing to do something about it. I see that the Speaker has indicated that maybe he will not be able to get to the line-item veto this year. The chairman of the House Appropriations Committee said yesterday it looks like they are not real anxious to move on that. It seems to me it is now time for us to ask the question: If you are serious about a line-item veto, this is the time to bring a line-item veto to conference, to the Senate and the House, and make it law, give it to this President, and let us use that to seriously reduce the Federal deficit.

Both Republicans and Democrats have a stake in fiscal policy that advances the economic interests of this country. That means reducing the Federal deficit and no longer including projects that have not previously been authorized in appropriations bills.

I support a line-item veto because it is the tool that is best equipped to stop that sort of practice, to save money, and reduce the Federal budget deficit.

I do hope in the coming days that we will discover that those who were so interested in the line-item veto early in this year continue to retain an interest in giving this President the line-item veto this year, the sooner the better.

Mr. President, how much time remains?

The PRESIDING OFFICER. About 4 minutes remains.

MEDICARE

Mr. DORGAN. Mr. President, we are nearing, now, the 30th anniversary of Medicare, in another week or so. Recently we have been discussing on the floor of the Senate, at great length, a range of Government policies that have been failures, and there are plenty. We have done a lot wrong and we need to